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This bank executive wants to help underdogs

Jun 5, 2017, 11:38am PDT **Updated** Jun 5, 2017, 3:27pm PDT



[Victor A. Patton](#) Reporter *Sacramento Business Journal*

When people think of an advocate for the underdog, the title of “bank executive director” typically doesn’t come to mind. Then again, Teveia Rose Barnes has been anything but typical during her career.



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Teveia Rose Barnes is executive director of the California Infrastructure and Economic... [more](#)
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Barnes, 64, is executive director of the [California Infrastructure and Economic Development Bank](#), better known as IBank. She was appointed by Gov. [Jerry Brown](#) in 2013. IBank's mission is to finance infrastructure, economic expansion, clean energy and water projects, in both the public and private sphere statewide.

Barnes says she sees her role as an opportunity to help others. Case in point, she's playing an active part in spearheading IBank's "Jump Start," a micro-lending program that offers \$500 to \$10,000 in gap financing for small-business owners. A key aim of the program is to help groups that sometimes have a difficult time obtaining business loans, including low-income communities, women, veterans and people of color. Applicants must successfully complete financial literacy training before being accepted into the program.

During her career, Barnes has strived to be an agent of positive change in other ways. Since the late 1990s, she's served as executive director and a volunteer lawyer at Lawyers For One America, promoting diversity in the legal profession and pro bono legal services as part of President Bill Clinton's One America initiative.

Barnes said her staff is equally passionate about helping others. "I actually live in the Bay Area and drive each day to work (in Sacramento) because this is a great place. I have the most amazing staff," she said. "We all care. I think that's the thing that IBank brings, is we're service oriented. We want to make California the best that it can be."

Before her appointment to IBank, Barnes was commissioner at the [California Department of Financial Institutions](#). There, she was the chief state regulator of depository financial institutions, responsible for the licensing, examination and supervision of banks, credit unions, savings associations and trust companies.

She was also a partner at the law firm Foley and Lardner LLP for more than seven years.

Barnes recently spoke to the Business Journal about the Jump Start program.

How did Jump Start come about?

"IBank has a Small Business Finance Center. And we have two acting programs under the finance center — our Small Business Loan Guarantee Program and our Farm Loan Program. While those programs are quite successful in reaching small businesses, there were still entrepreneurs in low-wealth communities that weren't able to access the financing that they needed to actually jump-start their programs, or to continue them. ... Or we found that some of them needed really relatively small amounts of money, from \$500 to \$10,000. Most traditional lenders are looking to lend in larger amounts than those. We found this gap — there was the demand, but there was a gap in the supply of financing to these small businesses."

Why is it important for certain groups to get this help?

"We don't want anyone in California to be forgotten. We want everyone to be able to have the opportunity to make their world a better place. ...Once our stakeholders made us aware of this

need that wasn't being covered, I personally thought, 'What can IBank do?' We brainstormed internally and with stakeholders."

Is the program attracting these groups?

"First, to be eligible, the person has to be a low-wealth individual in a low-wealth community. We believe by doing that we're going to attract women, minorities, people previously incarcerated, for example. What we want to do is track that, and we will track it and report it on an annual basis. ... From what we were hearing from our stakeholders, these were the prospective entrepreneurs that were having difficulty getting the financing they needed.

"And a big part of it was they had this great idea, or fabulous recipe for cupcakes, but they did not know how to run a business or think about a business. So the technical assistance and financial literacy training is key to this program. All of the borrowers have to demonstrate that they have the wherewithal to be able to start a business and run it."

Who thought of the idea for Jump Start?

"It was truly a community effort, an outreach effort, talking to borrowers who didn't qualify for our Small Business Loan Guarantee Program, talking to financial development corporations, talking to our small-business advocate at GO-Biz (Governor's Office of Business and Economic Development)."

As this program develops, how will you gauge its success?

"We will gauge our success by how quickly we are able to make loans.

"We'll consider it successful if we can grow the program as well. The board has allocated \$2 million — \$1 million for financial literacy and technical assistance, and another \$1 million for the loans.

"This first year we are using \$500,000 for loans to see how well the program works, and then we'll go from there."

Teveia Rose Barnes

Executive director, [California Infrastructure and Economic Development Bank](#)

Age: 64

Education: B.A. in economics, political science and German studies from Rice University; J.D. from New York University School of Law

Career: Commissioner, [California Department of Financial Institutions](#), 2012-13; partner at law firm of Foley & Lardner LLP, 2005-2012; Various positions at Bank of America, including associate general counsel and senior vice president, 1982-1999.

What do you enjoy about your work?“When we get hugs from the entrepreneurs who thank us for helping their businesses. We see the contribution they are able to make to their community ... to the extent IBank played even a small role in making that happen, that’s why I come to work.”

Victor Patton covers technology and health care.